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UNCLASSIFIED--CABE VERDE ISLANDS

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CAPE VERDE ISLANDS

POLITICAL

MICROFILMED CLD

The Cape Verde Islands are scheduled to obtain their independence from Portugal on July 5. Until that time the Islands will be governed by a transitional government composed of a Portuguese high commissioner and a five-member cabinet. The transitional government will establish procedures for constituent assembly elections to be held in June.

The transitional government will be dominated by representatives of the African Party for the Independence of Portuguese Guinea and Cape Verde (PAIGC)--the only active political organization in the Islands. The PAIGC fought the Portuguese in Portuguese Guinea for a decade before achieving independence there in September 1974 and renaming the territory Guinea-Bissau.

Historically, the Cape Verde Islands and Guinea-Bissau were closely linked. The Portuguese relied heavily on Cape Verdians to administer Guinea-Bissau. Ironically, educated Cape Verdians formed the nucleus of the anti-Portuguese nationalist movement in Guinea-Bissau and the bulk of the PAIGC's current leadership is of Cape Verdian origin. Although the Cape Verde Islands were largely untouched by the insurgency in Guinea-Bissau, the PAIGC has consistently claimed to represent Cape Verde as well as Guinea-Bissau.

The Portuguese expect that at independence the PAIGC will be the dominant political organization in the Islands and will

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be recognized internationally as the legal representative of the Cape Verdian people. It remains to be seen, however, what sort of political links between Bissau and the islands will be established.

GENERAL BACKGROUND

The Cape Verde Islands consists of a group of 10 inhabited islands and several uninhabited islets located about 300 miles off Cap Vert on the west coast of Africa. As of 1969 the total population of the islands was 230,000 with an average density of 147 persons per square mile.

The Cape Verde Islands, with a poor resource endowment and a low level of economic development, are not self-supporting. More than 80% of the islanders earn their living in agriculture--mainly subsistence--despite such adverse conditions as poor soils, frequent severe droughts, mountainous terrain, and inadequate transport. Only 7% of the land is arable, and most of it planted in corn--the major dietary staple in the province. Other important crops include bananas, other tropical fruits, coffee, sweet potatoes, cassava, beans, and peanuts. Fishing is the second largest activity of the economy. Although the province has no fleet of its own, it provides a popular harbor for many Portuguese and foreign fleets fishing the Atlantic west of Africa. In 1969 almost 4,000 tons of fish, valued at US\$600,000, were landed in the islands. Processing and canning this catch--

mostly tuna, sardines, and lobsters--is the main industry in the Cape Verdes. In fact, the only other manufacturing in the area is limited to simple food and tobacco processing, and bottling of a few beverages. Mining activity is restricted to salt and pozzolana--a volcanic rock used to produce hydraulic cement. Only the major airports and towns have access to electricity--consumption in 1969 reached 4.3 million kilowatt hours--and the total electric power capacity is about 5,000 kilowatts.

Since domestic resources and production are so limited, the islands' economy is heavily dependent on foreign trade and aid from Portugal. In 1969 imports were valued at US\$23.1 million and consisted primarily of food products, wines and beer, textiles, machinery, petroleum products, and cement. Over three-fourths of total exports--\$10.1 million--were agricultural products. Major export items include fresh, frozen, and canned fish, bananas, water--for maritime use--pozzolana, and salt. The province's major trade partners are metropolitan Portugal and its other overseas provinces. In 1969 the metropole supplied almost 50% of its total imports; the other provinces, 27%; the United Kingdom, 4%; and the United States, 3%. On the export account, the metropole purchased about 67%; the United States, almost 8%; and the other provinces, about 5%. The islands also have an important market in other African countries, particularly for salt, about 7% of total exports were shipped there in 1969. Portugal also provides development aid and, as necessary, during prolonged or severe

drought, emergency assistance.

The extreme harshness of the physical environment and the periodic recurrence of severe droughts and famines combine with a very high rate of illiteracy to impede the emergency of political awareness on the part of the great majority of the population of the Cape Verde Islands.

Political activity in the Cape Verde Islands is negligible. No manifestations of anticolonialism have been reported in Cape Verde Islands.

The Cape Verde Islands--proudly characterized by the Portuguese as "strategic sentinels"--occupy a central and key position for mid and south Atlantic operations. There is an excellent and protected harbor at Mindelo on Sao Vicente. The island of Sal has an international airport which is currently being modernized.

Emigration to the United States, remittance payments from the U.S. and Social Security pensions for elderly returnees to Cape Verde make for a strong and favorable American image in the islands.